

# Revenue Projection To Meet R35 billion Additional Target – 2026



February 2026

It is becoming increasingly unlikely that SARS will meet the collection targets required to achieve the additional R35 billion in revenue, as reported and tracked through National Treasury's monthly publications. Data up to December indicates that only R248 million has been collected over and above the originally projected baseline - a significant shortfall relative to the stated objective.

Based on our projections using historical revenue patterns, SARS would need to increase collections by a factor of **1.29** in January 2026, **1.47** in February, and 2.08 in March in order to close this gap. In practical terms, this implies revenue levels approximately **29%** higher than historical trends in January, **47%** higher in February, and more than double the projected baseline in March. Such magnitudes suggest a highly ambitious collection effort relative to historical performance.

This raises important fiscal questions ahead of the Budget Speech this afternoon. Could we see measures such as a VAT increase? Alternatively, might government respond through expenditure adjustments to manage current debt pressures and revenue constraints?

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## How the below estimates were derived:

We applied a Seasonal ARIMA (SARIMA) model to forecast each revenue component using historical monthly data from 2021–2025. The model specification captures short-term persistence, underlying growth trends, and strong annual seasonality, which is particularly important for tax revenues that exhibit recurring intra-year patterns. Notably, revenue spikes - especially in March - are driven by structural features of the tax calendar, including corporate income tax provisional payments, year-end settlements, VAT reconciliation cycles, and compliance-related adjustments. These institutional payment patterns create predictable seasonal peaks that the SARIMA framework is designed to learn from historical data.

The raw model projections for January–March 2026 produced total revenue forecasts of **R8.75bn**, **R8.62bn**, and **R7.92bn** respectively. However, fiscal planning requires that monthly totals align with predetermined revenue targets of **R11.33bn** (January), **R12.69bn** (February), and **R16.44bn** (March). To reconcile the statistical forecasts with these policy targets, we applied a proportional scaling factor ( $\lambda$ ), calculated as  $\text{Target} \div \text{RevenueForecast}$ . This yielded scaling factors of **1.29**, **1.47**, and **2.08** respectively. Each revenue component was multiplied by the corresponding  $\lambda$ , producing adjusted forecasts that exactly match the target amounts. Economically, these scaling factors imply aggressive collection assumptions relative to historical dynamics: approximately **29%** above model-based projections in January, **47%** above projections in February, and more than double (about **108%** above baseline, i.e., **208%** of the forecast level) in March. The particularly large March adjustment reflects both the inherent volatility of end-of-fiscal-year collections and the elevated fiscal target embedded in the revenue envelope. In summary, the SARIMA model provides a historically grounded structural projection, while the proportional adjustment imposes the policy-determined revenue requirement, highlighting the magnitude of additional collection effort implied for early 2026.

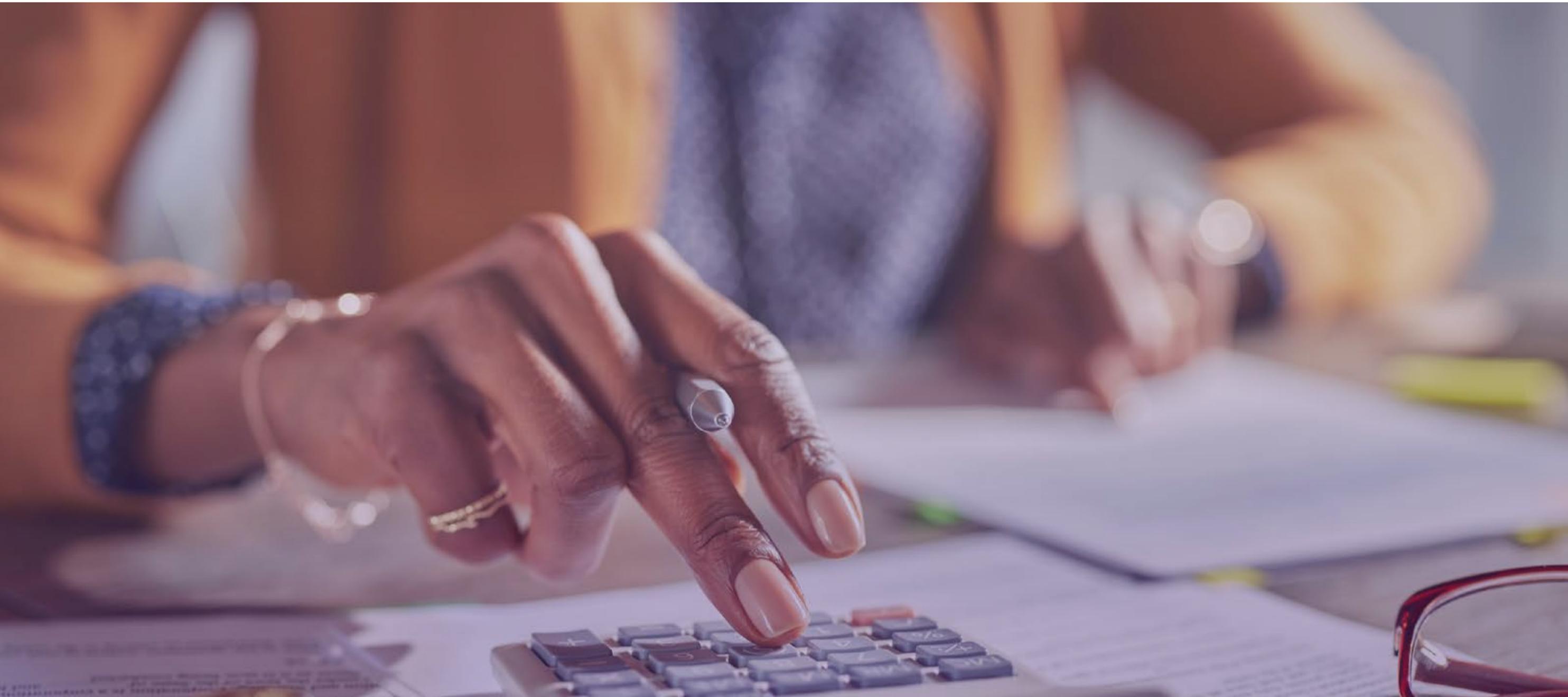
Notably, revenue spikes - especially in March - are driven by structural features of the tax calendar, including corporate income tax provisional payments, year-end settlements, VAT reconciliation cycles, and compliance-related adjustments.



Month	CIT Penalties	CIT	Customs	Excise	Other	PAYE	PIT Penalties	PIT	STC	VAT	Dividend WT	Target
Jan-26	35 912,26	1 339 512,33	1 134 552,60	444 246,76	4 427,86	1 582 011,07	207 611,26	1 206 390,52	2 124,49	4 944 395,20	429 780,65	11 330 965,00
Feb-26	41 060,38	1 407 769,36	527 895,94	300 066,20	6 332,91	1 716 681,41	255 314,61	1 263 430,57	2 857,53	6 402 032,00	763 929,09	12 687 370,00
Mar-26	63 399,27	1 998 072,10	655 733,04	514 889,08	14 090,80	2 559 332,32	334 632,39	1 772 094,62	3 238,27	7 822 128,01	702 179,11	16 439 789,00
Apr-21	7 417,84	444 382,81	62 191,99	1 919 337,49	-	566 420,07	23 459,99	510 863,54	10 412,30	2 611 817,16	242 697,57	6 399 000,76
May-21	7 160,07	497 845,00	64 522,02	383 263,39	-	882 343,50	22 714,93	576 691,59	10 403,17	2 754 491,41	331 218,24	5 530 653,32
Jun-21	7 767,53	1 215 062,91	88 747,06	253 824,94	-	859 287,26	24 921,27	511 720,92	10 626,74	2 585 002,34	336 811,36	5 893 772,32
Jul-21	10 307,87	515 234,49	65 847,33	176 058,53	-	975 968,41	23 119,68	475 795,53	10 617,62	3 556 313,62	271 951,01	6 081 214,08
Aug-21	13 535,76	714 875,58	64 483,05	58 823,98	-	757 052,61	20 710,83	489 465,42	24 119,81	2 631 382,32	269 836,69	5 044 286,05
Sept-21	10 752,90	3 766 437,06	341 012,74	1 132 503,57	-	642 270,71	20 858,80	510 620,09	10 357,82	3 103 292,56	364 905,17	9 903 011,41
Oct-21	9 426,13	1 765 363,65	101 109,60	2 557 946,50	-	666 034,39	21 816,55	567 388,49	10 572,85	2 819 366,51	532 498,09	9 051 522,76
Nov-21	8 950,78	633 275,87	97 869,61	1 458 274,87	-	1 071 639,04	19 863,25	635 551,66	10 439,23	2 748 744,41	367 886,52	7 052 495,25
Dec-21	6 486,17	959 932,56	350 319,86	679 720,18	-	842 424,75	18 005,56	497 831,34	10 550,88	3 053 284,42	457 548,76	6 876 104,47
Jan-22	7 266,87	319 751,81	66 471,30	817 874,97	-	735 915,75	15 109,25	524 949,09	528,03	2 864 151,08	228 142,71	5 580 160,87
Feb-22	17 433,75	713 216,52	137 243,29	105 763,66	-	973 643,68	21 357,38	830 121,26	718,27	2 598 713,72	440 602,03	5 838 813,57
Mar-22	14 955,28	1 446 504,23	158 876,51	249 743,50	-	1 559 915,55	21 466,33	746 100,29	326,23	3 904 090,31	257 976,16	8 359 954,39
Apr-22	12 432,34	422 446,41	85 610,05	312 354,02	440,00	678 068,81	25 337,85	609 388,91	10 282,72	3 567 577,06	195 881,79	5 919 819,97
May-22	8 536,38	495 126,93	80 833,96	162 486,15	1 709,00	923 749,54	24 621,24	582 142,14	10 365,20	3 161 585,02	1 060 563,45	6 511 719,02
Jun-22	14 427,33	475 683,15	92 333,94	612 801,42	830,00	787 810,27	19 822,67	539 384,96	10 554,60	2 849 736,38	264 225,57	5 667 610,29
Jul-22	8 870,43	443 091,24	161 747,97	143 207,24	10 749,04	1 448 670,15	17 136,10	445 947,77	10 296,93	3 363 751,99	246 272,48	6 299 741,33
Aug-22	10 458,55	477 513,52	93 862,34	53 688,48	2 519,56	1 183 858,94	20 113,07	563 864,42	10 665,48	3 847 915,16	383 771,89	6 648 231,41
Sept-22	10 785,90	675 877,06	307 273,31	49 061,35	382,91	746 856,22	16 466,94	547 797,35	229,82	3 764 516,48	198 049,09	6 317 296,43
Oct-22	15 237,97	527 585,22	93 966,99	46 891,36	86,70	932 357,91	13 009,10	486 526,59	245,50	3 049 343,68	438 119,81	5 603 370,83
Nov-22	12 600,01	1 149 024,93	125 986,42	177 295,10	757,93	728 479,71	21 834,65	574 052,66	549,94	3 647 603,75	422 168,22	6 860 353,32
Dec-22	8 715,89	526 746,79	88 881,26	245 491,15	1 280,45	691 098,73	40 791,38	661 846,86	10 207,94	3 371 588,45	225 522,57	5 872 171,47
Jan-23	11 837,57	412 374,06	76 841,11	880 712,61	790,44	984 870,89	46 489,15	592 290,34	10 256,97	2 857 331,06	268 082,90	6 141 877,10
Feb-23	12 018,92	476 546,80	75 501,10	1 455 860,57	812,00	775 859,75	48 650,67	815 195,69	10 114,99	3 839 142,30	341 359,56	7 851 062,34
Mar-23	18 130,55	2 163 770,66	119 275,66	1 184 746,31	18 863,99	1 328 034,90	65 381,40	978 007,72	1 096,16	4 515 699,91	412 770,98	10 805 778,23
Apr-23	9 194,54	824 397,32	45 048,54	105 394,52	1 041,74	1 053 541,30	61 922,23	562 458,85	10 549,98	2 678 918,25	507 450,46	5 859 917,72
May-23	10 768,96	758 770,82	48 593,98	568 155,73	772,56	1 178 216,78	101 561,39	587 129,48	10 312,16	3 756 562,22	278 912,69	7 299 756,77
Jun-23	12 484,24	754 333,08	51 704,82	35 391,67	1 038,60	973 130,17	75 336,14	660 865,77	11 259,57	3 248 719,87	220 340,11	6 044 604,02
Jul-23	10 056,59	967 224,93	125 903,66	33 044,67	-	1 081 208,55	73 864,30	636 625,97	10 917,49	3 198 107,44	309 114,72	6 446 068,32
Aug-23	11 154,73	1 148 180,31	69 747,32	398 741,44	423,80	903 063,56	129 600,36	677 523,20	8 422,12	3 439 552,32	442 465,32	7 228 874,48
Sept-23	11 061,84	1 070 947,71	98 740,43	98 156,15	342,95	846 636,63	93 714,90	705 563,30	824,32	2 719 848,75	329 266,33	5 975 103,31
Oct-23	16 501,83	993 324,15	288 819,66	368 203,22	18 009,33	1 000 004,69	102 982,60	810 231,00	96,45	3 188 400,51	677 560,96	7 464 134,40
Nov-23	13 708,34	1 310 067,66	215 801,26	192 739,95	11 972,40	1 103 157,65	118 081,18	1 025 697,99	669,88	3 740 151,16	744 100,54	8 476 148,02
Dec-23	10 492,01	1 234 508,02	273 755,92	90 503,07	3 089,70	747 738,60	108 836,98	1 083 541,26	698,02	2 933 126,91	492 499,78	6 978 790,25
Jan-24	14 549,62	861 965,54	186 287,18	281 926,03	1 561,45	2 149 849,22	85 218,59	1 077 046,66	310,43	3 678 318,75	360 283,85	8 697 317,30
Feb-24	21 944,68	1 666 609,55	214 823,62	75 497,43	464,55	1 020 314,09	86 843,69	1 251 361,81	4 037,08	3 853 677,87	561 862,47	8 757 436,83
Mar-24	36 855,45	5 157 402,83	353 900,26	271 380,40	10 016,78	1 324 831,81	89 491,30	1 196 697,73	807,92	3 253 937,22	377 197,75	12 072 519,45
Apr-24	23 220,69	1 150 320,47	253 173,59	352 081,94	320,73	1 125 987,79	106 779,35	826 882,61	1 253,71	3 240 373,75	226 194,09	7 306 588,72
May-24	22 287,17	958 362,37	296 231,15	133 187,02	2 688,72	879 312,40	120 206,12	805 371,53	4 490,78	3 847 465,95	353 888,84	7 423 492,05
Jun-24	23 406,19	806 160,68	314 778,97	285 578,86	1 111,25	977 701,98	94 756,31	715 709,83	326,70	2 988 347,24	335 229,18	6 543 107,19
Jul-24	24 724,88	984 434,90	130 252,12	143 849,86	231,94	1 280 255,23	116 869,27	819 105,56	575,01	4 748 114,22	602 303,94	8 850 716,93
Aug-24	25 127,06	856 484,13	81 446,87	147 086,01	25,11	801 459,10	108 624,57	760 741,29	1 635,55	4 696 360,48	266 094,18	7 745 084,37
Sept-24	19 681,93	658 086,39	272 652,78	247 775,26	-	882 905,83	100 207,18	983 945,47	494,23	2 496 956,45	329 862,28	5 992 567,81
Oct-24	25 635,98	1 135 851,99	122 436,10	111 358,66	542,22	942 455,09	118 298,01	1 246 314,52	489,07	3 719 097,99	598 512,98	8 020 992,61
Nov-24	26 186,75	845 940,05	103 586,86	228 607,53	6 730,24	824 042,23	89 684,04	1 157 942,12	444,11	5 188 030,29	327 917,35	8 799 111,57
Dec-24	28 383,50	817 041,08	211 228,36	92 112,07	1 130,00	1 037 878,70	97 573,91	1 113 587,03	603,62	3 285 988,17	277 725,26	6 963 251,72

Jan-25	26 155,30	894 606,04	304 934,36	101 636,86	9 335,85	885 546,35
Feb-25	30 190,24	1 247 019,15	195 402,22	1 919 338,26	2 589,74	1 045 015,99
Mar-25	26 082,14	1 837 151,15	248 314,92	207 299,42	23 695,17	1 453 775,13
Apr-25	20 826,91	769 241,50	1 302 351,89	239 873,50	1 826,70	954 656,57
May-25	21 805,11	848 958,21	271 168,16	34 068,64	1 570,70	872 563,82
Jun-25	26 253,67	1 076 781,94	174 620,46	168 017,78	11 371,25	1 138 611,08
Jul-25	28 826,51	861 871,30	260 794,94	131 311,95	3 862,07	835 379,49
Aug-25	27 178,73	886 442,68	213 490,01	172 466,78	1 062,49	942 992,23
Sept-25	27 031,75	843 742,24	205 959,63	263 867,40	1 016,84	1 155 059,56
Oct-25	30 463,96	1 097 977,27	329 849,62	287 394,72	744,54	1 104 837,68
Nov-25	30 076,90	878 760,58	108 172,75	307 621,39	729,35	973 064,60
Dec-25	24 719,25	1 155 319,84	411 250,74	417 338,80	10 751,75	1 176 822,84
Jan-26	35 912,26	1 339 512,33	1 134 552,60	444 246,76	4 427,86	1 582 011,07
Feb-26	41 060,38	1 407 769,36	527 895,94	300 066,20	6 332,91	1 716 681,41
Mar-26	63 399,27	1 998 072,10	655 733,04	514 889,08	14 090,80	2 559 332,32

92 772,57	955 784,81	371,81	4 425 874,52	306 129,98	8 003 148,45
102 555,16	1 047 136,82	922,45	3 227 148,16	443 520,69	9 260 838,89
106 001,75	1 725 266,91	363,34	3 997 880,61	485 446,11	10 111 276,64
89 751,42	847 103,51	468,97	3 382 910,03	296 425,78	7 905 436,78
92 705,27	748 195,89	330,80	4 095 256,95	701 812,06	7 688 435,63
104 768,45	784 310,08	199,33	3 369 949,72	366 851,63	7 221 735,39
106 282,81	882 134,28	468,86	4 442 565,51	407 323,18	7 960 820,90
108 337,27	877 320,45	187,49	3 363 642,70	413 060,72	7 006 181,54
117 243,18	895 857,58	269,46	4 064 017,41	204 959,74	7 779 024,78
157 097,46	1 137 216,26	1 797,83	4 715 630,40	461 055,58	9 324 065,31
144 657,65	1 122 854,86	831,71	3 172 134,32	383 267,83	7 122 171,93
159 770,71	1 151 391,40	1 047,59	3 759 187,31	427 596,09	8 695 196,33
207 611,26	1 206 390,52	2 124,49	4 944 395,20	429 780,65	11 330 965,00
255 314,61	1 263 430,57	2 857,53	6 402 032,00	763 929,09	12 687 370,00
334 632,39	1 772 094,62	3 238,27	7 822 128,01	702 179,11	16 439 789,00



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